

WTCS 2027-29 Biennial Budget Proposal

Type: Program

Issue Title: Adult Education

Strategic Direction Goals: Inspire, Transform

Statutory Modification: Yes

No

Amount:

<u>FY28</u>	<u>FY29</u>
\$11,600,000	\$11,600,000

Summary:

Provide \$11,600,000 GPR in FY28 and \$11,600,000 in FY29 for state funding to support and expand adult education capacity at technical colleges.

- All technical colleges provide adult education, programming that helps students develop academic and foundational skills needed in the workplace and build English language competence. Colleges are statutorily prohibited from charging tuition for adult education courses.
- Approximately 326,000 adults in Wisconsin lack a high school diploma. Adults without a high school credential are nearly twice as likely to live in poverty (23.1% vs. 12.8%), experience higher unemployment (6.2% vs. 4.2%), and earn substantially less (\$738 vs. \$930 per week), than adults who have completed high school.
- Adult education is an essential economic and workforce development strategy. A 2024 Wisconsin Policy Forum report found that the majority of higher-paying jobs require postsecondary education, and the proportion is projected to increase in the future. Adult education represents an opportunity to connect students to college and career pathways that align with in-demand industries and occupations with family-sustaining wages.
- Technical colleges served more than 33,500 adult education students in 2024-25, which represents approximately 10% of the population without a high school diploma.
- Wisconsin adult education has a proven return on investment: Wisconsin is among the leading states for both credential attainment and Measurable Skill Gains for adult education students. In 2024-25, the state's credential attainment rate of 69.04% was more than twice the national rate of 29.57% and the MSG rate of 64.87% far exceeded the national rate of 50.14%.

- While many states invest state funding in adult education, Wisconsin does not have an appropriation dedicated to adult education. Based on data from 2023-24, 14 states invested more than \$20 million in state adult education funding, four of which include Wisconsin's Midwest neighbors Illinois, Indiana, Michigan and Minnesota.
- The only dedicated funding stream to support adult education in Wisconsin is federal Adult Education and Family Literacy Act (AEFLA) funding. AEFLA funding is under threat, and there have been several attempts over the last few years to eliminate this funding in its entirety.
- Over the last five years, Wisconsin's average AEFLA award was \$7.6 million. A portion of these funds support administrative costs within the WTCS System Office, and the remaining funds are granted to technical colleges and Community-Based Organizations.
- While AEFLA is a critical funding source for adult education across the state, Wisconsin's allocation only covers a portion of the cost to deliver adult education at technical colleges. \$5.7 million in AEFLA awards were provided to technical colleges in 2024-25, yet total adult education and English Language Learning expenditures across technical colleges were more than \$63 million in the same year. To supplement AEFLA and provide a consistent and reliable funding stream, dedicated state investment is needed.
- Based on average AEFLA grant amounts over the last five years and estimates of the proportion of funds that will be used for administrative activities and Community-Based Organizations, the AEFLA funding available for technical colleges is approximately \$5.8 million. Annual grant amounts of \$11.6 million provide a level of state support that is twice the level of AEFLA support, allowing for the expansion of adult education program capacity and reduction in waitlists.
- New GPR funding for adult education would provide ongoing support to help technical colleges serve this important population and expand capacity to serve additional students. Funds could be distributed to technical colleges using a formula with two components: 1) a portion of the funds distributed as an equal amount to each technical college and 2) a portion of the funds distributed proportionally to colleges based on their adult education populations and in consideration of other resources in the technical college district.
- Funding would help sustain adult education services and expand program capacity, including, for example, additional instructors and course sections, digital software, diagnostic assessment tools and preparation materials.
- Request: Increase GPR funding in the Grants to District Boards appropriation (20.292(1)(f)) by \$11.6 million in FY28 and \$11.6 million in FY29 to fund adult education grants to technical colleges annually.